

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 58th LEGISLATURE - REGULAR SESSION

JOINT APPROPRIATIONS SUBCOMMITTEE ON GENERAL GOVERNMENT AND TRANSPORTATION

Call to Order: By **CHAIRMAN JOHN BRUEGGEMAN**, on January 10, 2003
at 8:10 A.M., in Room 317-B Capitol.

ROLL CALL

Members Present:

Rep. John Brueggeman, Chairman (R)
Sen. Rick Laible, Vice Chairman (R)
Sen. Gregory D. Barkus (R)
Sen. Mike Cooney (D)
Rep. Monica Lindeen (D)
Rep. John Sinrud (R)

Members Excused: None.

Members Absent: None.

Staff Present:

Greg DeWitt, Legislative Branch
Amy Sassano, OBPP
Misty Shea, Committee Secretary

Please Note: These are summary minutes. Testimony and
discussion are paraphrased and condensed.
Tape stamps indicate information that is found
below.

Committee Business Summary:

Hearing(s) & Date(s) Posted: Department of Transportation,
1/10/2003
Executive Action: General Operations

{Tape: 1; Side: A; Approx. Time Counter: 0 - 30}

Discussion began with **Department of Transportation Director Dave Galt** informing the committee as to how the Motor Carrier Services Division affects the State. He made reference to a study done by Montana State University which collected weigh-in-motion (WIM) data statewide to assist in scheduling weight enforcement activities of patrol personnel. This was to determine if infrastructure damage from overweight vehicles could be better realized by use of the WIM sensors. The benefits were in the identification of sights to be better enforced and in the development of software to be used for these purposes. The Department of Transportation is asking for \$50,000 in this biennium to operate and train staff for a new weigh station along Interstate 90 bordering Wyoming. **Director Galt** and **Drew Livesay, Administrator of Motor Carrier Services** stressed the importance of twenty-four-hour, seven-day-a-week-staffing of weigh stations. Jobs, the placement of weigh stations, and the public's perception of them were discussed. **Director Galt** told the committee that he would not be reducing personnel but operating cost by closing the facility at Crow Agency when the new weigh station opens in 2005. He added that the deal with Wyoming is not yet final, it depends on legislative approval. **REP. SINRUD** asked for further analysis on the proposed agreement with Wyoming. **SEN. COONEY** asked for clarification of how building of the new facility would be paid for. **Director Galt** answered that the project is eligible for federal funds and match funds with Wyoming are an option. Decision Packages(DP) 2202 Overtime Pay and 2203 Increased Credit Card Usage were introduced.

EXHIBIT (jgh05a01)

{Tape: 1; Side: B; Approx. Time Counter: 0 - 7}

Director Galt began discussing vehicle permits, bank, and credit card service fees with the committee. The Department of Transportation is trying to shift away from using cash and starting to accept credit. **Mr. Galt** stated revenue does increase overtime with money derived from permits going to the highway special revenue fund. The expense in the budget request comes out of this fund as well.

{Tape: 1; Side: B; Approx. Time Counter: 7 - 31}

Debbie Alke, Administrator of Aeronautics was introduced. DP 4004 Program/Service Cost Adjustments was explained by Mr. Galt as was DP 4005 Grant Increases-Biennial. **Debbie Alke** explained further how grants are allocated to airports and what they are used for.

She commented that the courtesy car program approved last session has been very successful. DP 4006 Statewide Plan Update-Biennial was explained, it is applied for each year to assist airports as required to update their standards reviews as a service provided by the Aeronautics Division. DP 4001 Runway Rehab West Yellowstone, and DP 4002-Runway Rehab Lincoln Airport, both Biennial were explained by Mr. Galt. **Greg DeWitt, Legislative Fiscal Division(LFD)** informed the committee that they do not approve rates on these but serve an oversight function. **Debbie Alke** spoke about the aviation fuel tax rate stipulations, carrier services, development projects, and fund generation. **Pat Saindon, Administrator of Planning Division** was introduced. DP 5002 Transportation Assistance for the Disabled/Elderly and DP 5003 which asks for \$3.1 million in federal special revenue for the biennium for transit capital assistance grants to local governments were explained. The **LFD** withdrew their issue on DP 5002 which was with a 25 cent fee collected on vehicle registrations to help pay for it. DP 5004 asks for \$98,000 State special revenue and \$302,000 federal special revenue for the biennium to develop data traffic processing software. DP 5005 which Director Galt calls a "pet project" was detailed as to how it would benefit the State. This decision package was designed after the Montana State University study and Conrad Burns is the benefactor. The program is weigh in motion(WIM) across the State and enforcement of weight rules. Initial results seen are a 20% reduction in the number of overweight trucks on highways where this State Truck Reporting System(STARS) is used. A final report on all this will be available in May. **Director Galt** sees the possibility of a great savings over the long term.

EXHIBIT(jgh05a02)

{Tape: 2; Side: A; Approx. Time Counter: 0 - 14.5}

Director Galt touched on the Lolo/Missoula weight scale and its function for the committee's information. He also said that there are 26 STARS sensors in the State that tell time, distance, number of axles, and weight among other things. DP 5006 asks for an increase in State and federal revenue to reestablish base year overtime/differential pay and benefits. DP 5008 asks for funding increases to provide training and grants for urban transit programs in Billings, Great Falls, and Missoula. DP 5009 Seasonal Contracted Services which would employ two people to complete the field road inventory was explained as a definite need by Pat Saindon and Director Galt. DP 5010 follows this as it is for travel expenses for employees who extensively move about the State for normal business processes. Match funds will be utilized for this when they become available. DP 5011 asks for a Senior/Disabled Vehicle Adjustment that will be used to purchase

vehicles for agencies that transport these individuals. DP 5012 asks for \$69,000 state and \$275,000 federal special revenue to erect geological signs and implement an animal detection system. **Deputy Director Jim Currie** outlined for the committee the CANAMEX project which is a corridor study in progress involving Montana, Idaho, Utah, Nevada, and Arizona. Canada and Mexico also have interest in this. **Director Galt** commented the issue could come up again in two years.

{Tape: 2; Side: A; Approx. Time Counter: 14.5 - 30}

Director Galt referenced back to DP 5008 where he had **Pat Saindon**, explain the numbers further (Page A-139, budget book). In doing so **Ms. Saindon** stated that in most cases local governments match federal transit funds especially for the disabled and elderly. She added specific planning requirements have to be met by Billings, Missoula, and Great Falls in order for the Department of Transportation (DOT) to spend money in their areas. The DOT also has a Federal Transit Association program called Rural Transportation Assistance that requires about \$95,000 for training purposes that are 100% federal funds, the total amount needed is \$485,021 to operate. **SEN. BARKUS** asked if a county could apply for these types of grants. **Ms. Saindon** answered that there are two types of planning funds that come to the DOT, one is for 50,000 population or more and the other is for areas over 5,000 in population. She commented that all of the activities talked about today are federal mandates. **REP. SINRUD** wanted to know how it was that the aforementioned three cities were chosen. **Ms. Saindon** said it was by the census. A discussion followed between **Ms. Saindon** and **Sen. Laible** regarding the van funding in Ravalli County and the rail line. DP 5001 a new proposal to evaluate abandoned railroad branch lines, declining rail traffic, and changes in management and how it affects Montana's economy and transportation system was introduced.

{Tape: 2; Side: B; Approx. Time Counter: 0 - 8.5}

Director Galt talked to the committee about addressing issues that come up in regards to these abandoned rail lines. For instance in Lewistown where the community does not want to see the rail service end there. **REP. LINDEEN** clarified that the DOT was teamed with agriculture and commerce on this with no added requests to their budgets. **Director Galt** produced a new handout for the committee based on **Sen. Laible's** question about the new core drill building from the prior days meeting. It shows an offset of savings in the planning and construction budgets. The Transportation Planning Division hearing ended.

EXHIBIT (jgh05a03)

{Tape: 2; Side: B; Approx. Time Counter: 8.5 - 30}

Executive Action began for the Department of Transportation with decision packages common across the department. **Greg DeWitt, Legislative Fiscal Division(LFD)** explained to the committee how they would be making their motions. **CHAIRMAN BRUEGGEMAN** set the protocol for three global standard motions instead of several.
EXHIBIT(jgh05a04)
EXHIBIT(jgh05a05)

Motion/Vote: **SEN. LAIBLE** moved **TO ADOPT THE 2002 BASE FOR ALL FUNDING EXCEPT FOR THE GENERAL FUND AND STATEWIDE PRESENT LAW ADJUSTMENTS AS REQUESTED FOR ALL FUNDS.** Motion carried unanimously.

Motion: **SEN. BARKUS** moved **OVERTIME DIFFERENTIAL BUDGET ITEMS DP 104, 210, 306, 2202, 4003, AND 5006.**

Discussion:

SEN. LAIBLE asked Greg DeWitt to further clarify their approval. **Mr. DeWitt** explained how personal service budgets differ from base budgets. Overtime and differential pay are zero based and so have to be asked for every session. **SEN. BARKUS** made a comment for the DOT to use discretion and restraint in the area of overtime as it is expensive. **Director Galt** agreed with him and detailed some of how different divisions have this issue and why. He added how hard it is to be able to hire enough people for construction. He also told **SEN. BARKUS** his comment would be taken under advisement.

Vote: Motion carried unanimously.

Motion: **REP. SINRUD** moved **EQUIPMENT RENTAL DP 109, 212, 311, 2204, AND 5013.**

Discussion:

SEN. COONEY made certain Greg DeWitt the LFD staffer would bring up any concerns their office had.

Vote: Motion carried unanimously.

Motion: **SEN. LAIBLE** moved **ALTERNATIVE PAY PLAN CONVERSION DP 110,214,317,2205, AND 5014.**

Discussion:

SEN. LAIBLE questioned Mr. Galt as to how after the broadband pay plan the DOT had a negative amount. **Mr. Galt** replied the budget office chose to require agencies that adopted the pay plan to make up the personal services increases out of operating expenses.

{Tape: 3; Side: A; Approx. Time Counter: 0 - 15}

Amy Sassano of OBPP explained further what Director Galt had said about the broadband pay plan that was in House Bill 13 of 2002. **Greg DeWitt of LFD** added that he had calculated everyone in the DOT pay raises and that the DOT is making an effort to reduce their budget. **Mr. Galt** gave the committee insight as to how the DOT had made their decision to go to broadband pay and how they had put \$1.7 million with the Governor's approval into the conversion. He added that this is the amount he is ready to have come out of operating expenses. There is roughly a \$500,000 difference between the LFD and DOT in calculation of this issue. **Amy Sassano of OBPP** told the committee that she did the calculations for the entire State as they are included in the executive budget. She used a different methodology than the LFD and there is some disagreement. **SEN. COONEY** brought up how he had been contacted by a constituent that indicated the DOT had authority to give raises to management where the other employees were stuck. **Director Galt** stated that everyone who was in a blue collar pay plan was exempt. He said the DOT worked with a market based system to broadband based on grade and complexity of job. An average was found and management did get more money but not all higher grade positions were in management. More discussion followed surrounding the current State employee situation with the budget and the assorted ways to get raises not relating to the topic at hand.

{Tape: 3; Side: A; Approx. Time Counter: 15 - 30}

Greg DeWitt of LFD explained to the committee what they can do with negative decision packages.

Vote: Motion carried unanimously.

Motion/Vote: **SEN. BARKUS** moved DP 101 SUBGRANT MONITORING.
Motion carried unanimously.

Motion: **REP. SINRUD** moved DP 103 Information Technology
EQUIPMENT LIFE CYCLE REPLACEMENTS.

Discussion:

SEN. LAIBLE questioned why this wasn't already in the base. **Director Galt** replied that some of the hardware was but not on a replacement cycle like they are trying to establish. **REP. SINRUD** clarified that this motion would put everything on the cycle based on industry standards.

Vote: Motion carried unanimously 6/0 by saying aye.

Motion/Vote: **SEN. BARKUS** moved DP 105 INTERNATIONAL FUEL TAX AGREEMENT (IFTA) DUES AND LEGAL FEES. Motion carried unanimously.

Motion: **SEN. COONEY** moved DP 102 INTEGRATED FINANCIAL SYSTEMS.

Discussion:

Greg DeWitt LFD mentioned that **Director Galt** recommended that this could be restricted. **Mr. DeWitt** went on to explain that this means the money can only be spent for the purpose approved by the legislature. The committee and staff discussed restricting and one time only appropriations.

{Tape: 3; Side: B; Approx. Time Counter: 1 - 20}

The committee and staff discussed contracts, clauses, and adding language to the appropriation. The original motion by **Sen. Cooney** was withdrawn. **Director Galt** reminded everyone that all federal appropriations are biennial.

Motion: **SEN. COONEY** moved DP 102 AS A ONE TIME ONLY RESTRICTED APPROPRIATION.

CHAIRMAN BRUEGGEMAN had to leave and he left his proxy to **SEN. LAIBLE**. **SEN. BARKUS** expressed his concern about the project as it was a first time bid at \$8 million. **Director Galt** provided an argument about how old systems die and the future needs to be planned to address need. He also explained the process of obtaining the bid through a consulting firm that helped build the budget for integrated financial management. He stated he knows the amount is high and originally thought \$4 million would do it. The actual cost should be between the two and what he really wants is the ability to move forward in business for the State with legislative intent. **CHAIRMAN BRUEGGEMAN** returned.

Vote: Motion carried unanimously.

JOINT APPROPRIATIONS SUBCOMMITTEE ON GENERAL GOVERNMENT AND
TRANSPORTATION

January 10, 2003

PAGE 8 of 9

Motion/Vote: REP. LINDEEN moved DP 107 FTE REDUCTION. Motion carried unanimously.

Motion/Vote: REP. LINDEEN moved DP 108 REDUCTION IN CONTRACTED AUDITS. Motion carried unanimously.

JOINT APPROPRIATIONS SUBCOMMITTEE ON GENERAL GOVERNMENT AND
TRANSPORTATION

January 10, 2003

PAGE 9 of 9

ADJOURNMENT

Adjournment: 11:20 A.M.

REP. JOHN BRUEGGEMAN, Chairman

MISTY SHEA, Secretary

JB/MS

EXHIBIT (jgh05aad)